



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-22]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 19-22 with attached Policy Justification and Sensitivity of Technology.

Dated: September 20, 2019.

Aaron T. Siegel,

*Alternate OSD Federal Register Liaison Officer,
Department of Defense.*



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

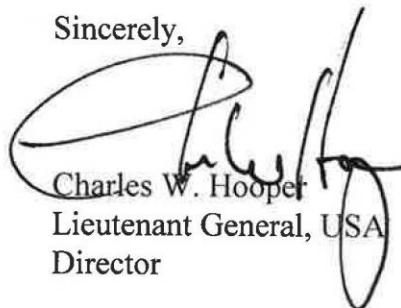
JUL 08 2019

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-22 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Taipei Economic and Cultural Representative Office in the United States (TECRO) for defense articles and services estimated to cost \$2.0 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Hooper", is written over the typed name and title.

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 19-22

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Taipei Economic and Cultural Representative Office in the United States (TECRO)

(ii) <u>Total Estimated Value:</u>	\$1.450 billion
Major Defense Equipment*	<u>\$.550 billion</u>
Other	\$2.000 billion
TOTAL	

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

One hundred eight (108) M1A2T Abrams Tanks
One hundred twenty-two (122) M2 Chrysler Mount Machine Guns
Two hundred sixteen (216) M240 Machine Guns
Fourteen (14) M88A2 HERCULES Vehicles
Sixteen (16) M1070A1 Heavy Equipment Transporters (HET)
Five hundred seventy-two (572) M1002 TPMP-T1 Rounds
Three hundred fifty-nine (359) M831A1 HEAT Rounds
Six hundred twenty-one (621) M865 TPCSPS-T2 Rounds
Eight hundred twenty-eight (828) CZ11 Advanced Multipurpose Rounds
Eight hundred twenty eight (828) M830A1 HEAT Rounds

Non-MDE:

Also included are sixteen (16) M1000 Heavy Equipment Transporter (HET) Semi-Trailers; sixty four (64) Export Single Channel Ground and Airborne Radio System (SINCGARS); one hundred eight (108) AN/PSN-13A Defense Advanced Global Positioning System (GPS) Receiver (DAGR) with Selective-Availability/Anti-Spoofing Module (SAASM); one hundred thirty eight (138) AN/VAS-5B Driver Vision Enhancer (DVE-A) Kits; one hundred eight (108) M250 Smoke Grenade Launchers; fourteen (14) M239 Smoke Grenade Launchers; seven thousand eight hundred sixty-two (7,862) KEW-A1 Rounds; one thousand nine hundred sixty six (1,966) CA38 - Cartridge, 120MM Canister Round; eight hundred sixty four (864) M76 (G826) or L8A1 /L8A3 (G815) Smoke Grenade Rounds; eight hundred twenty eight (828) Insensitive Munitions High Explosive Tracer (IMHE-T) rounds; twenty two (22) sets Dummy CTG, 120mm Armor-Piercing, Fin-Stabilized, Discarding Sabot (CA64); twenty two (22) Dummy Cartridge 120mm Canister M1028; twenty two (22) Dummy M865 TPCSPS-T (C785); FMS export armor; Hunter/Killer technology, Commander's Independent Thermal Viewer (CITV); Common Remotely Operated Weapon Station-Low Profile (CROWS-LP); spare parts; support equipment; AGT-1500 tank engines and X-1100 tank transmissions; depot level support; Government-Furnished Equipment (GFE); repair parts; communication support

equipment; communication equipment integration; tools and test equipment; training; training simulators; repair and return program; U.S. Government and contractor engineering, technical, and logistics support services; Technical Assistance Field Team (TAFT); and other related elements of logistics and program support. Additionally, the following recommended basic load ammunition may be included upon request from customer: One hundred fifteen thousand four hundred (115,400) A576 Cartridge, .50 Caliber Linked 4 API/API-T F/M2; one thousand eighty (1,080) G815 - Grenade, Smoke Screening L8A1/A3; two million four hundred sixty two thousand four hundred (2,462,400) A131 - Cartridge 7.62MM 4 BALL 1 TRACER; one million two hundred thirty-one thousand two hundred (1,231,200) A111 - Cartridge, 7.62mm Blank M82 Linked; one thousand five hundred twelve (1,512) A541 - 50 Armor Piercing Incendiary, Tracer M20 F/M2; ninety one thousand eight hundred (91,800) A557 - Cartridge, .50 Caliber 4 Ball/1 Tracer Linked M33 F/M2; fifty four thousand (54,000) A598 - Cartridge, .50 Caliber Blank F/M2 (MILES); and four thousand nine hundred sixty eight (4,968) AA38 - Cartridge, .50 Caliber M962 (SLAP); and other related elements of logistics and program support.

(iv) Military Department: Army (TW-B-ZCT)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: July 8, 2019

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States (TECRO) – M1A2T Abrams Tanks and Related Equipment and Support

TECRO has requested to buy one hundred eight (108) M1A2T Abrams Tanks; one hundred twenty-two (122) M2 Chrysler Mount Machine Guns; two hundred sixteen (216) M240 Machine Guns; fourteen (14) M88A2 HERCULES Vehicles; sixteen (16) M1070A1 Heavy Equipment Transporters (HET); five hundred seventy-two (572) M1002 TPMP-T1 Rounds; three hundred fifty-nine (359) M831A1 HEAT Rounds; and six hundred twenty-one (621) M865 TPCSPS-T2 Rounds, and eight hundred twenty eight (828) M830A1 HEAT Rounds. Also included are sixteen (16) M1000 Heavy Equipment Transporter (HET) Semi-Trailers; sixty four (64) Export Single Channel Ground and Airborne Radio; System (SINCGARS); one hundred eight (108) AN/PSN-13A Defense Advanced; Global Positioning System (GPS) Receiver (DAGR) with Selective-Availability/Anti-Spoofing Module (SAASM); one hundred thirty eight (138); AN/VAS-5B Driver Vision Enhancer (DVE-A) Kits; one hundred eight (108); M250 Smoke Grenade

Launchers; fourteen (14) M239 Smoke Grenade Launchers; seven thousand eight hundred sixty-two (7,862) KEW-AI Rounds; one thousand nine hundred sixty six (1,966) CA38 - Cartridge, 120MM Canister Round; eight hundred sixty four (864) M76 (G826) or L8A1 /L8A3 (G815) Smoke Grenade Rounds; eight hundred twenty eight (828) Insensitive Munitions High Explosive Tracer (IMHE-T) rounds; twenty two (22) sets Dummy CTG, 120mm ArmorPiercing, Fin-Stabilized, Discarding Sabot (CA64); twenty two (22) Dummy Cartridge 120mm Canister M1028; twenty two (22) Dummy M865 TPCSPS-T (C785); FMS export armor; Hunter/Killer technology, Commander's Independent Thermal Viewer (CITV); Common Remotely Operated Weapon Station-Low Profile (CROWS-LP); spare parts; support equipment; AGT-1500 tank engines and X-1100 tank transmissions; depot level support; Government-Furnished Equipment (GFE); repair parts; communication support equipment; communication equipment integration; tools and test equipment; training; training simulators; repair and return program; U.S. Government and contractor engineering, technical, and logistics support services; Technical Assistance Field Team (TAFT); and other related elements of logistics and program support. Additionally, the following recommended basic load ammunition may be included upon request from customer: One hundred fifteen thousand four hundred (115,400) A576 Cartridge, .50 Caliber Linked 4 API/API-T F/M2; one thousand eighty (1,080) G815 - Grenade, Smoke Screening L8A1/A3; two million four hundred sixty two thousand four hundred (2,462,400) A131 - Cartridge 7.62MM 4 BALL 1 TRACER; one million two hundred thirty-one thousand two hundred (1,231,200) A111 - Cartridge, 7.62mm Blank M82 Linked; one thousand five hundred twelve (1,512) A541 - 50 Armor Piercing Incendiary, Tracer M20 F/M2; ninety one thousand eight hundred (91,800) A557 - Cartridge, .50 Caliber 4 Ball/1 Tracer Linked M33 F/M2; fifty four thousand (54,000) A598 - Cartridge, .50 Caliber Blank F/M2 (MILES); and four thousand nine hundred sixty eight (4,968) AA38 - Cartridge, .50 Caliber M962 (SLAP); and other related elements of logistics and program support. The total estimated program cost is \$2.00 billion.

This proposed sale is consistent with U.S. law and policy as expressed in Public Law 96-8.

This proposed sale serves U.S. national, economic, and security interests by supporting the recipient's continuing efforts to modernize its armed forces and to maintain a credible defensive capability. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, and economic progress in the region.

This proposed sale of M1A2 tanks will contribute to the modernization of the recipient's main battle tank fleet, enhancing its ability to meet current and future regional threats and to strengthen its homeland defense. These tanks will contribute to the recipient's goal of updating its military capability while further enhancing interoperability with the United States and other allies. The recipient will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The M1A2T tank prime contractor will be General Dynamics Land Systems, Sterling Heights, Michigan. Production will be at Anniston Army Depot, Anniston, Alabama, and the Joint Systems Manufacturing Center, Lima, Ohio. The M88A2 recovery vehicle prime contractor will be BAE, York, Pennsylvania. The M1070A1 Heavy Equipment Transporter

(HET) prime contractor will be Oshkosh, Oshkosh, Wisconsin. There are no known offset agreements proposed. However, the purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will require annual trips to the recipient involving up to 30 U.S. Government and 15 contractor representatives for a period of up to six years to manage the fielding and training for the program.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 19-22

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Annex
Item No. vii

(vii) Sensitivity of Technology:

1. Thermal Imaging System (TIS). The TIS is a target acquisition system which, when operated with other tank systems, gives the tank crew a substantial advantage over the adversary. The TIS provides the gunner and commander with the ability to effectively aim and fire the tank main armament system under a broad range of adverse battlefield conditions. The Hunter/Killer technology provides the commander the ability to search for and acquire targets while the gunner engages priority targets. The hardware itself is UNCLASSIFIED. The engineering design and manufacturing data associated with the detector and infrared (IR) optics and coatings are considered sensitive. The technical data package is UNCLASSIFIED with the exception of the specifications for target acquisition range (CONFIDENTIAL), nuclear hardening (CONFIDENTIAL, restricted data) and laser hardening (SECRET).

2. Special Armor. Major components of special armor are fabricated in sealed modules and in serialized removable subassemblies. Special armor vulnerability data for both chemical and kinetic energy rounds are classified SECRET. Engineering design and manufacturing data related to special armor are also classified SECRET.

3. AGT 1500 Gas Turbine Propulsion System. The use of a gas turbine propulsion system in the M1A2T Abrams tank is a unique application of armored vehicle power pack technology. The AGT-1500 engine and X-1100 transmission are not classified. Manufacturing processes associated with the production of turbine blades, recuperator, bearings and shafts, and hydrostatic pump and motor, are proprietary and therefore are commercially competition sensitive.

4. Compartmentation. A major survivability feature of the Abrams Tank is the compartmentation of fuel and ammunition. Compartmentation is the positive separation of the crew and critical components from combustible materials so that in the event the fuel or ammunition ignites or is detonated by an incoming round, the crew is fully protected. As demonstrated during the Abram Live Fire tests, compartmentation significantly enhances crew survivability and substantially reduces the likelihood of the tank being immobilized by an ammunition explosion and fire. Sensitive information (SBU) includes the performance of the ammunition compartments as well as the compartment design parameters.

5. The CROWS-LP (M153A2EI) is a commander's weapon station. It allows for under armor operation of weapons - M2HB, M2A1, M240B and M240. The CROWS-LP is an updated version of the M153A2 CROWS and is approximately 10 inches lower in height. The CROWS-LP increases crew visibility over the weapon station. The fire control system of the CROWS-LP allows an operator to fire on a target from either a stationary or moving platform. The CROWS-LP integrates a day camera (VIM-C), thermal camera (TIM 1500) and laser range finder (STORM/STORM-PI) is UNCLASSIFIED.

6. M76 Infra-Red (IR) Grenade. The M76 InfraRed (IR) grenade is UNCLASSIFIED but sensitive. The grenade uses a brass particle fill that is specifically designed, when shattered by a high explosive shock wave, to disperse in a cloud of specific sized particles. These particles obscure the visual through the far infrared portions of the electromagnetic spectrum. As a result, this grenade defeats night sights, thermal viewers, laser designators, laser rangefinders, and any other equipment that relies on visual or infrared active or passive technologies. The properties of the brass fill are easily reverse engineered, and therefore could be used to defeat U.S. imaging and targeting systems on the battlefield. The highest level of information that could be transferred with the sale of this round is UNCLASSIFIED.

7. 120mm Kinetic Energy-Tungsten (KE-W) ammunition. This is a commercially developed item and is not warranted by the US Government. All components of the cartridge, 120mm Kinetic Energy - Tungsten are UNCLASSIFIED. The capabilities of this cartridge, to include the terminal effects, target impact dispersion, and armor defeating capabilities, are classified CONFIDENTIAL, except for armor penetration test results against Special Armored Targets, which are classified SECRET, or the same level of classification as the target, whichever is greater. The tungsten processing and penetrator manufacturing methods are sensitive data. No technological information regarding the tungsten penetrator material will be supplied with the cartridges being considered for foreign military sales. The highest level of information that could be transferred with the sale of this round is UNCLASSIFIED.

8. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

9. A determination has been made that the recipient can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

10. All defense articles and services listed in this transmittal have been authorized for release and export to the recipient.

[FR Doc. 2019-20831 Filed: 9/24/2019 8:45 am; Publication Date: 9/25/2019]